Note: This is a log of emails received following the City Council public hearing on November 16, 2021. Therefore, the log begins on November 17, 2021. Any emails that are received after publication of this attachment on December 3, 2021 will be shared with staff and City Council and will receive acknowledgment of receipt and consideration. Any updates to this PDF will be noted here.
City Leaders,

It is truly a disgrace that the city did zero outreach to homeowners before trying to slam through the OPA ordinance. The groups listed under outreach in last night’s meeting did not include any white, asian, indian, or hispanic homeowners.

Listing the Rotary Club as an outreach contact is ridiculous. The majority of members of this Rotary Club are not EPA residents, but live in Los Altos, Menlo Park, and other peninsula cities.

This is a bad, poorly thought out ordinance and it reflects extremely badly on the city that you tried to get it passed into law on the downlow, only contacting people you knew would be in favor of it before bringing it up in a meeting. This kind of blatant dishonesty in the process is extremely upsetting and you should be ready for intense community blowback due to your actions.

--
Mark Dinan
650-796-5035
Hello Karen,

Thank you so much for your presentation last night at the EPA city council meeting, and the one I just watched this morning from October 5th that I missed the first time around (!).

I saw the list of community organizations that you have been consulting in your work, here extracted from your October 5th presentation:

<table>
<thead>
<tr>
<th>Affinity Groups</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anamantangi Polynesian Voices</td>
<td>Group of Pacific Islander tenants, homeowners, landlords, and faith leaders</td>
</tr>
<tr>
<td>East Palo Alto Council of Tenants</td>
<td>Group of elder community leaders</td>
</tr>
<tr>
<td>El Comité del Lado Oeste</td>
<td>Group of Spanish-speaking westside tenant leaders</td>
</tr>
<tr>
<td>Envision-Transform-Build (ETB-EPA)</td>
<td>Group of housing justice-focused nonprofit and resident leaders</td>
</tr>
<tr>
<td>Nairobi Steering Committee</td>
<td>Group of Black and African American elder community leaders who are homeowners</td>
</tr>
<tr>
<td>Nuestra Casa’s Constituents</td>
<td>Group of Spanish-speaking multi-family home and single-family home tenant leaders</td>
</tr>
<tr>
<td>Rotary Club of East Bayshore</td>
<td>Group of youth and elder community leaders who are a combination of tenants and homeowners</td>
</tr>
<tr>
<td>Tenant Advisory Body</td>
<td>Group of tenant leaders representing the east and west side of East Palo Alto</td>
</tr>
<tr>
<td>Youth United for Community Action</td>
<td>Multi-cultural group of youth leaders</td>
</tr>
</tbody>
</table>

I think the only one of these that I might personally be eligible to join is the Rotary Club of East Bayshore. I looked it up and to join it I would need to attend 2 meetings, apply and (fingers crossed) be accepted as a member, and pay $200/year in dues.

Is there any other way that I could engage in the consultation process with you? Or is there still time for me to pay that money and be consulted through Rotary?

Also I am a member of two Facebook Groups, "East Palo Alto Neighbors", which has 7,900 members that include people who live and work in EPA or own property there, and "Homeowners in East Palo Alto" which is much smaller (458 members) but more focused on homeowners. I’m also a member of the Nextdoor group "Pulgas Gardens" which is for a subset of East Palo Alto but connects to a wider set of local Nextdoor groups.

Do you need any help getting a message out of any consultation opportunities to any of these groups? I’m not the leader or moderator of any of them but as a concerned citizen I am keen to amplify any message you have welcoming input and I would be happy to post details of how to attend a focus group or town hall session on this proposal.
Thanks again for pulling all the information together on these TOPA/COPA proposals for EPA and for asking all the questions with which you were peppered by the councilmembers last night. I'm sure it was a high-stress evening for you and you remained calm and helpful throughout - thank you.

Grace Popple
617-821-5302
--
Dear Mayor and Council Members:

I am a housing provider of East Palo Alto. I have a deep concern about the EPA OPA. I highly suggest City to postpone the vote until you meet with stakeholders to reevaluate the appraisal, process and align with realistic real estate transactions.

Thanks,

Linda Lee
Hello EPA City Councillors,

We were angry when you said last night that you are angry with the new residents in EPA and the homeowners who provide housing to the tenants in EPA.

We have been responsive housing providers for over 10 years in EPA. We spend lots of money and time to maintain the property and to keep the tenants living in a better life. Almost all of the tenants live in our rental properties for 10 years and raise 5-6 kids. One of the guys was in his late 20th when he and his family moved in with 3 kids, now 5. 2 of them are in college without paying tuition. He said he grew up in EPA and never wanted to work as he enjoys having more kids and enjoys his lifetime section8 program! His monthly rent is only $100-$200 for many years.

We are full time working parents, we work 6 days a week to support our children and to pay for the mortgage and assist their college tuition. We were babysitters, house cleaners, washing dishes in kitchens, waiters, handyman, etc., I was a tenant and I only had $80 dollars when I came to the US to study. I worked full time at $4 per hour while I was at school. My English was poor so I learned how to speak on TV and at the grocery market. I saved the money I made in babysitting as downpayment to purchase a house in EPA in 2010 and provided housing to the tenants.

We are working very hard by using our hands to make a living. We do not usually travel. We do not spend money to buy drinks or go out to eat, we can not afford to have more children. We are saving money to fix EPA. We also suffer loss of rent as one tenant family has not paid any rent for almost one year! My husband just lost job recently and we are facing a financial crisis because of the mortgage in EPA and maintenance.
We are being treated unfairly and insulted by you when you claim that you are angry and against the new residents in EPA and the housing providers to the people in EPA. The tenants are the people that need EPA city councillors's help to build more affordable housing!

Housing providers are being discriminated against by you—Carlos Romeo. As a housing provider we are trying our BEST to build a better community in EPA! Don’t you think the EPA is becoming a better community now?

Regards,

Gang Cu/Juan
Housing provider for EPA residents
Hi Rachel,

Do you anticipate that it'll be next week or the following week? Is there a link on the city's website to the proposed ordinance or any related material?

Will the upcoming meeting be an opportunity to add community feedback to the proposed ordinance?

Best regards,

Uhila
Hi Rachel! Thanks for speaking last night. It was a long, and informative, meeting!

Referring to the timeline that was presented. Second row, orange boxes!

What happens here in a multiple offer situation?

How it usually happens with a sale of a property like the ones we primarily have in EPA is that the property is staged and listed for sale, and shown across perhaps two weekends of open houses. A date for bids to come in is issued (likely at first listing, in the "agent remarks"), and perhaps several people bid on the property by that date.

The selling agent presents the bids to the seller at that bid deadline, who may choose to issue counter offers to one or more of the bidders, to improve the terms (speed up the sale!), get what they need for rent-back, get a higher price, etc. Then those counter offers are issued to the bidders and they choose whether to bid again or not.

The bidders may issue a counter back accepting the terms from the seller but the seller still needs to choose. Usually that pushes the seller into contract with one of the bidders within a day or two since all these bid steps "explode" after a day or two.

In the new EPA process, at what point does this bid-and-counter process explode out to the yellow and purple boxes? Which of the various offers received to-date gets shared with the PEPs? And is it true that the seller has to wait for the whole 10 days (30 days for a property with an ADU) in the case that none of the PEPs submits a matching (or otherwise attractive) offer, before they can enter into a contract with a 3rd party buyer? Where is the path shown where the purchase track moves back into the 3rd party path? In this case, if the buyer with the strongest bid is in a 1031 exchange scenario and needs to go faster to be able to close the deal, is the seller able to appeal to anyone to shorten the timeline for the PEPs to make a decision on whether to bid to match or not? How can the seller keep multiple buyer offers open if their timing/terms differ?
Also there is a fairly common habit of accepting a "backup offer" from a 3rd party seller who misses out on going into contract, so if the contract can't be delivered on by the buyer, the backup offer party automatically goes into contract. Can that still occur if the intended buyer is a PEP and does the "backup offer" have to come from another PEP or can it be the 3rd party?

Thanks for explaining!

Grace Popple
EPA homeowner (and former buyer and seller and attempted-buyer in many, many multi-offer situations in EPA - it took a lot of tries to get our home!)

Grace Popple, nee Webber
Sounds good.

I was thinking about this further.

So when you’ve covered the original situation (which comes up very often, almost all the time) I hope you can take a look at this scenario which is more rare (but still very real):

In the situation that a non-profit goes to buy the home and is in all the purple boxes to the right of the orange one, and then in spite of all best intentions, they are not able to close, for instance because of an underwriting or other funding issue, or their tenant backs out, or issues with the governance of the non-profit - whatever, but something on their side - what is the recourse the seller has for all the delay incurred while they were in contract?

In a normal contract for sale in California if a buyer fails to perform on the contract at that point the seller retains the earnest money - which is usually 3% of the sale price - but this is in that case usually within a month of going into contract, since that’s the normal amount of time it takes to close a ‘regular’ mortgage on a SFH for an individual purchaser. So to have to move to a backup offer (if there is one) or to remarket and start again has a cost for the seller of about 1-2 months of holding costs - mortgage, insurance, property tax - and the risk of having to stage the property again (around $1500) if another open house is needed. The 3% doesn’t quite cover that (on a $1M home - 3% is $3,000) but it's close in most cases. In the case of the non-profit failing to perform after a much longer period (looks like 50 days for a SFH) the seller is likely to be incurring much greater cost (more chance of needing to stage again since more of the original buyers in the market have bought other properties by then, plus of course more holding costs) - will the 3% earnest money deposit be increased to compensate for this increased risk, perhaps to 6%, when a non-profit is the bidder?

How will this be done - will it be in advice the city gives to the homeowners of EPA as to how to have their selling agents configure the standard contract terms, or will there be a requirement placed on non-profits who participate in this program that their earnest money funds held in escrow for the seller for non-performance must be at least 6%?

I am not a real estate professional, just a homeowner in EPA who pays attention to the paperwork and has experienced challenges of my own in performing on a contract! I am hopeful that you have engaged with some thoughtful and perhaps high-volume realtors who conduct a lot of business in EPA to go through the details of how this works with the types of boilerplate offer letters and
counters that are used in California, so that the balance of risks between buyer and seller match the new flowchart!

Thank you.

Grace

--

Grace Popple, nee Webber
Good morning Rachel,

Could you please let me know as soon as possible when the next city staff community outreach zoom meeting is scheduled & the link to attend the meeting. I am a member of the East Palo Alto Senior Advisory Committee, & homeowner in EPA. Members of the SAC, as well as residents of my home development complex, University Square are very interested in attending.

Thank you.

Dixie-Lee S. Specht-Schulz

Sent from my iPhone

CAUTION: This e-mail originated from outside of the organization. Do not click links or open attachments unless you validate the sender and know the content is safe.
Thank you Rachel. Please see link below concerns another complication of the proposed ordinance:

https://en.m.wikipedia.org/wiki/Internal_Revenue_Code_section_1031?fbclid=IwAR2pwXHWTRwji1nMtLNyqcJzAxcpVxi3NUH0CuVgYw6TwUm148iaFyy_43E

Dixie-Lee

Sent from my iPhone
Thanks. OK, I guess that will come up there soon. At the moment this is what it is showing, unless I'm looking in the wrong place:
OK that sounds like an improvement, thank you.

I'm a homeowner who is presently away for Thanksgiving so if your only criteria for showing the Facebook ads is geographic they wouldn't get shown to me, and I wouldn't receive the mailer anyway. It's a tricky time of year with a lot of travel! I would certainly encourage you to consider some of the already-set-up groups on Facebook and Nextdoor as a way to amplify your message and perhaps get hold of EPA homeowners who may not be local (who will after all be some of the most impacted stakeholders in these changes, since they are most likely to get swept up in a transaction involving TOPA/COPA). I am not quite sure how it works to target ads to these groups, maybe it's possible, or maybe you need to ask members of the groups to re-post into the groups on your behalf. Perhaps if you make a flyer downloadable or provide some "blurb" that can be copied and pasted easily that would be great.

Facebook Groups I am aware of (they do not all have the same leadership or rules) are:

- **Stronger Together East Palo Alto**
- **You Know You Grew Up in East Palo Alto (The TOWN) When...**
- **The Real East Palo Alto/EMP**
- **Homeowners in East Palo Alto**
- **East Palo Alto Neighbors**

... there are others too! Some others have membership in the thousands too.

On Nextdoor I am a member of Pulgas Gardens and there are neighboring groups as you can see named on this map:
Best wishes! I hope the outreach goes well and is able to get noticed by people who were missed in the prior round.

Thank you.

Grace
Thank you for helping me understand what to do.
This is what I see at the website:

As you can see, there's nothing to give any sort of clue that the thing there that looks like the calendar (it has a calendar item and it says "city meetings") isn't a comprehensive set of meetings - OR that scrolling will do anything at all! If you have a chance to give feedback to whomever is responsible for the UI design of City of EPA maybe you could ask them change the label to "Some City Meetings" or put some big "Scroll down!" arrows on the home screen or something!

That building, by the way, and the park that surrounds it, is where I was married. ❤

Thank you! Now I know how to find the link.

Grace
"E. Deposit. The Owner shall not require the Potential Eligible Purchaser to pay a deposit of more than one percent (1%) of the contract sales price to make a contract. The deposit is refundable in the event of a good faith failure of the tenant to perform under the contract."

Does this mean that the earnest money is 1% maximum and wouldn't be given up if the funding falls through? This is absolutely horrible for the seller! California standard is 3% expecting a 30-day-or-less close, and gets given up if all contingencies have been removed (and there's a timeline for doing that that is pretty quick, like 7 days after offer acceptance, usually)!!??!

On Fri, 19 Nov 2021 at 19:03, Grace Popple <grace.webber@gmail.com> wrote:

I'm so sorry, here's another thing. It's not as important as the first things, but it is still important because it's discounting a real need to do something that need not be nefarious:

"B. Reduced Price. If the Owner sells or contracts to sell the Residential Property to a Third-Party Purchaser for a price more than ten percent (10%) less than the price offered to the Potential Eligible Purchaser or for other terms which would constitute bargaining without good faith, the sale or contract is void and the Owner shall comply anew with all requirements of this Chapter as applicable."

I think every time I've bought an older property in California, including in EPA, I've had my offer accepted and had an inspection contingency. The inspection has turned up some previously-unknown issue, and subsequent to that, I as the buyer have issued a new counteroffer to the seller. There is some negotiation there around a price which is lower than the previously-agreed-to offer/contract price. Some new agreement is made and the inspection contingency is removed by the buyer, and then the sale proceeds.

I think what the ordinance is suggesting is that if after a first-refusal step if the third party buyer is the one going forward (maybe there was no offer from a PEP or the PEP couldn't meet the offer) and then the inspection uncovers issues with the property that cause this negotiation after-the-offer to drive the price down by more than 10%, then somehow the City voids the contract and the third-party buyer and the seller cannot proceed. Is that true? How does the City void the contract in that instance? What happens to the earnest money already put up by the buyer - does it get returned? Of course now the seller has on their hands the inspection report as delivered by the former buyer to them, and this inspection report has in essence "tainted" the value of the
property. So now they have to relist, add the inspection report to the disclosures, and go through it all again? I can see how this protects from bad behavior by a buyer and seller working in collaboration to squeeze a nonprofit out of the deal, but I can also see transactions on properties in need of repair just being totally derailed by this - which won't benefit the housing stock. I don't think this will be *common* problem with the 10% threshold - I don't think it's that often that post-offer post-inspection the price drops by say $100,000 on an EPA property - but I can tell you I did get a price dropped more than that for an Oakland property that turned out to be in far worse condition than the bank who owned it had made clear.

Maybe there is some way to take this scenario and not completely backtrack on all the deals and say that if the price drops more than 10% while in contract, the PEP has to be informed and have an opportunity to read the inspection report and decide if they want to derail the deal (somehow). I still don't know how the city or the nonprofit can do that, though, since the buyer and seller are in contract and both are expecting performance on that deal from the other?

Grace

On Fri, 19 Nov 2021 at 18:53, Grace Popple <grace.webber@gmail.com> wrote:

(On the point regarding the earnest money issue, it’s worse than I thought. Rereading the ordinance,

"D. Time to Close. Upon acceptance of the Offer to Purchase, the Potential Eligible Purchaser shall have at least forty (40) days to close the transaction for the sale of a Single-Family Dwelling, with an additional fifty days to close the transaction with a commercial loan, for a total of ninety (90) days for Qualified Nonprofits and/or the City;"

So if the nonprofit is using a commercial loan, even though it’s a SFH, they get 90 days to close, not just 50 days - so 3 times longer than is usual for a mortgage-financed third party individual. This makes the 3% earnest money deposit even more unsuitable, it really should be something more like 9% to be equivalent! Ugh. I had missed this nuance on the far right column of the flowchart, that 1 unit isn’t only at the 40 day mark but also at the 90...)

Grace)

On Fri, 19 Nov 2021 at 15:57, Grace Popple <grace.webber@gmail.com> wrote:

Thank you for responding. Let's get into the heart of this competitive multiple offer scenario. Let's assume this is a property that is "in scope" for the ordinance, and that someone has expressed "intent" so we are following along the guidelines from there to ensure they get the "first refusal". You say:

"Yes, there is a waiting period of 10 days for (non owner-occupied) single family dwellings after an owner receives a third-party offer (more realistically, offers). The owner can conditionally accept any third-party offer that the owner wants the PEP to match and have any back-up offers. If the PEP does not match the offer, the owner can move forward with the third-party offer."
I'm not sure I completely follow how this fits into the multi-stage bid process that I have seen play out many times in EPA (not that I have bought this often, but I made a lot of offers on my way to get a house!)

The process as I described it is usually: (see my additional questions in blue inline)

"...the property is staged and listed for sale, and shown across perhaps two weekends of open houses. A date for bids to come in is issued (likely at first listing, in the "agent remarks"), and perhaps several people bid on the property by that date. <-- I think you are saying that the offer from the PEP might come in by that date, but it might not be there by then if a first offer hasn't been received by 10 days prior to that date, is that correct? So the homeowner needs to get an first offer to come in from a 3rd party to start the clock and can't have this sort of "all offers to arrive by" thing which causes some people to hold on to their offers and then scramble to put them all in last-minute? Because it wouldn't be fair to the other bidders then to reopen the bidding, if you like, for another 10 days? So presumably in the "agent remarks" the seller's agent will need to disclose that offers from regular buyers need to be in by X date but offers from qualified PEP may come in up to X+10 date, and then the seller will review all offers? And any offers from 3rd parties that "explode" in the usual timeline of 1 or 2 days will automatically become voided because the seller has to wait to see what comes in from the PEP, yes?

The selling agent presents the bids to the seller at that bid deadline, who may choose to issue counter offers to one or more of the bidders, to improve the terms (speed up the sale!), get what they need for rent-back, get a higher price, etc. Then those counter offers are issued to the bidders and they choose whether to bid again or not. <--so the seller can then issue a multi-counter to whichever parties it chooses from the original bid but *must* include any/all [actually, "any", or "all"?] PEPs in the multi-counter? And the PEP is going to have a longer close period in their bid than the other parties, and the seller is not allowed to choose on the basis of which bidder can close fastest/has most certain funding etc.? What is the timing at this stage? Does this stage also have to be held back for 10 days?

The bidders may issue a counter back accepting the terms from the seller but the seller still needs to choose. Usually that pushes the seller into contract with one of the bidders within a day or two since all these bid steps "explode" after a day or two.

Regarding the 1031, the situation I was imagining was one where the buyer (not the seller) is in a 1031 exchange scenario. I am wondering if rental properties in East Palo Alto that experience notice of intent on TOPA/COPA would effectively be ruled out of scope for buyers who are on the other side of a 1031 exchange, since they have 45 days to "identify" the property - and they need to be reasonably assured it's going to be "the one" they are going to be able to buy - and 180 days to close. I think in practice that bidding on a property that has received a notice of intent is a very risky business for a 1031 exchange buyer because of the risk of hitting both the 45 day date and the 180 day date - especially if the buyer already has that clock ticking before this property comes on the market. I imagine that "having
received a notice of intent" is something that a seller will have to put in the disclosures formally handed over in the disclosure packets to any third parties interested in putting in an offer?

As to the part about the lack of performance at close and the earnest money, you write "the owner cannot subject and treat differently the PEP regarding reasonably guaranteed terms in the guidelines" - are you saying that it would not be acceptable for an owner to ask for a 6% earnest money deposit from a PEP buyer who is asking for a 50 day close period versus 3% for a third party buyer who is asking for a 7 day (if all cash) or 30 day (if mortgage financed) close period? Even if the headline dollar sum of the price paid for the property is identical, these are not equivalent offers as it relates to the seller's costs and risks.

Thank you for working through these scenarios (the first which is very common, the second which is thankfully less common but still very very real when it does happen).

See you in future meetings. I hope you have some highly experienced realtors working through the details with you as advisers - there's a lot that happens in the to-and-fro with those boilerplate offer and counteroffer forms with a few blank lines filled in at each round!

Grace
Thank you Rachel. Please see link below concerns another complication of the proposed ordinance:

https://en.m.wikipedia.org/wiki/Internal_Revenue_Code_section_1031?
fbclid=IwAR2pwXHWTRwi1nMtlNycJzAxcpVxi3NUHOCuVgYw6TwUm148iaFyy_43E

Dixie-Lee
Dear City Clerk and Housing Dept,

Thank you for sharing the info about a possible ordinance: EPA Opportunity to Purchase

I am Ccing Brian Perkins, aide to Congresswoman Jackie Speier, and some EPA community leaders who might be interested.

Publicity Suggestions: Publicity should include the “renter” or “tenant” and the date and time in the subject header, and mtg date should be at the TOP of the email info and the calendar (not buried way at the bottom). I suggest using Dec 1 instead of 12/1 to avoid confusion about month and day. Mtg info should come first, so if people save the email, they can get the time/date/zoom designation, just from the header. I suggest:

**Zoom mtg Wed Dec 1, 2021 - 6:00pm-- EPA Renter Opportunity to Purchase**

Eve Sutton’s comments:

__YES, we need this ordinance, and it needs to be widely explained to tenants and landlords. Start working with tenants well in advance of any property sales, maybe including the provision in every lease agreement, so the tenants have time to plan for what they will do if/when the landlord sells the property.

__In your publicity and in the meeting, include some links for the public to read about such legislation, and a summary of the paths to home ownership:

__Funding must be available as grants or loans to facilitate a tenant purchase, or land trust purchase, or community purchase.

https://www.usa.gov/buying-home


__Educate renters and landlords, and investors, about SB 1079, Nancy Skinner’s legislation
SB 1079 modifies the foreclosure auction process to reduce the advantage big corporations had that allowed them to bulk-purchase many homes at a single auction. The new law gives owner-occupants, tenants, local governments, and housing nonprofits a level playing field to purchase such homes, helping retain owner-occupied home ownership. SB 1079 also authorizes higher fines that a local government can levy on corporations or other property owners that leave homes vacant or blighted, to incentivize refurbishing and renting or selling such homes.

Onward!

—Eve Sutton  eve@well.com
650 325-3234  landline, best 10am-9pm
Leave voice msg after 6 rings
216 Daphne Way
East Palo Alto, CA  94303
Hi Everyone,

Please provide a Spanish, Chinese and Russian version of the proposed OPA ordinance for review. We had a meeting last night with 80 homeowners and it is clear that many are recent immigrants and not comfortable in English. Also, please plan to have Russian and Chinese interpreters for the December 1rst and Dec 7th meeting.

Many of the new resident homeowners who are affected by this law are non-native speakers. One real estate agent indicated that 19 Russian families have bought houses in EPA in the last 6 months.

--
Mark Dinan
650-796-5035
From: Sherry Flamer <slflamer@icloud.com>
Date: Tuesday, November 23, 2021 at 8:59 AM
To: Patrick Heisinger <pheisinger@cityofepa.org>
Subject: EPA/OPA

I have lived/owned our home in EPA for 30 years, my husband for 50 and we are saddened that community input was not sought out.

I’m writing to demand an outside 3rd party study if the City of East Palo Alto plans to proceed.

Sincerely,

Sherry Flamer
2863 Illinois Street
East Palo Alto, CA 94303
Members of East Palo Alto City Council and City Government,

As an immigrant (And now US citizen), resident and Mexican/Latino homeowner in East Palo Alto, I oppose "EPA OPA/COPA".

It is an ordinance proposal that clearly didn't reach all the residents of EPA, and some of us heard about it until the very day it was going to be voted on. It's clearly a rushed, hidden, and in bad faith proposal, that clearly will damage us EPA homeowners (Otherwise, while all the rush and hush? I got lots of invitations to get a Covid vaccine in my mailbox and email, yet NOT a single invitation to hear about this...).

Also and in the interest of full disclosure, I am not paid, nor get any gifts nor affiliated to any developer, investment, real estate nor any company trying to do business/investment in EPA for that matter (In the last meeting, very angry Council Member Romero said this was orchestrated by real estate companies, it's not, but we'll most likely ask for their support if we need to). This is just a person that owns a property in EPA, and will get together with people with similar interests to block this.

When I decided to purchase a house around 7 years ago, I didn't get any help from any government office, so I had to spend a long time, savings, and personal resources to figure out how to become a homeowner, to have access to the "American dream" as it's called around here. Now you are trying to condition all that I have to go through, by getting certain organizations to-be-created ("nonprofits" that most likely will be managed by people affiliated to some of you), to condition the decisions around my own property. It's totally unfair to all of us that worked so hard to be where we are.

What I DO support is more housing, more pushing for the developers to add housing into those empty lots, incentives for landowners to develop housing, any project that increases the tax base so there are more services to residents, and a better quality of life for residents of EPA. But, City Council Members, DO NOT touch the main investment most of us have made through our lives, or else 1) There will be legal repercussions if this passes, 2) You'll be removed from your jobs as Council Members as soon as you're up for voting.

NOTE to City Administrators: A big percent of residents in EPA are not fluent in English, so please make sure this is a proposal that reaches us all. I request the translation of the proposal to other languages, such as Spanish, Chinese, Russian, Tongan, Samoan, Filipino. I'd say, 90% of my neighbors 2 houses away, speak a second language, and around half of that, English is NOT their main language.

Thank you for your consideration,

-Federico Andrade
Dear Mr. Fontes, Mr. Alvarado, Mr. Heisinger, and Ms. Horst,

I am an EPA resident kindly requesting that the TOPA/COPA summaries, full documentation, meeting announcements, and anything related to the ordinance please be translated into Spanish, Tongan, Samoan, Chinese, and Russian. Please also have interpretation channels available during the city run zoom meetings, especially on Dec 1 and Dec 7. There are a lot of homeowners and tenants in EPA who only speak these languages. The general public was not truly made aware of the proposed ordinance and should have the right to learn more and offer feedback. Thank you.

Best regards,
Jeanne Yu
EPA resident
Hi Everyone,

Please provide a Spanish, Chinese and Russian version of the proposed OPA ordinance for review. We had a meeting last night with 80 homeowners and it is clear that many are recent immigrants and not comfortable in English. Also, please plan to have Russian and Chinese interpreters for the December 1rst and Dec 7th meeting.

Many of the new resident homeowners who are affected by this law are non-native speakers. One real estate agent indicated that 19 Russian families have bought houses in EPA in the last 6 months.

--
Mark Dinan
650-796-5035
From: Grace Popple <grace.webber@gmail.com>
Sent: Wednesday, November 24, 2021 12:49 PM
To: Rachel Horst <rhorst@cityofepa.org>
Subject: Re: Question on implementation of the timeline in a multiple offer situation

OK. I've been trying to keep these concerns to myself thinking they must be errors you would just clear up quickly. But your response isn't reassuring me that that is the case. Given the fast timeframe here for everything I would really appreciate if you can just tell me whether the ordinance really does reflect the city's intent - if so this is such a big deal I'm going to have to be more open about these issues with other homeowners. And if I don't hear back before the holiday I'm going to have to assume the worst.

Sorry I hope you can understand, I am really worried here. I had my wedding in EPA in 2016, I really love this city. But I owe almost $1milliom to the bank for my mortgage, if the city really does want to have nonprofits buy my home from me for $1 and leave me on the hook for all that debt it is tough to feel taken care of at all. I'm having trouble concentrating here.

Apologies for not being tougher.

Grace

Sent with my Pixel 5a
Excellent, thank you!

Also, how much money has the city set aside for the many lawsuits that this ordinance will bring? I would suggest that you immediately budget $10M in legal fees as many lawsuits will come from this ordinance.

Mark
From: Romain Tanière
To: Carlos Romero; Ruben Abrica; Lisa Yarbrough-Gauthier; Antonio D. Lopez; Regina Wallace-Jones; Jaime Fontes; Rafael Alvarado; Patrick Heisinger; Rachel Horst; cityclerck@cityofepa.org
Date: Wednesday, November 24, 2021 5:04:46 PM


Dear city council members and city staff,

PRIOR TO finalizing and BEFORE putting a proposed EPA OPA municipal code amendment to a vote:

1. There should be multiple community outreach and ample time (such as several workshops with mailing to residents and homeowners) to seek broad and inclusive inputs in regards to the proposed ordinance. These should include access to translated languages that East Palo Alto residents/homeowners are most familiar with (e.g., Spanish, Tongan, Samoan, etc.).

2. Following potential revisions to the ordinance, there should be a full and broad impact analysis conducted independently looking at all aspects of the ordinance for the city, homeowners and tenants (e.g., fiscal and tax impacts based on property price effects, disincentives to ADU constructions, effects on rental units availability, 1031 exchanges, pool of potential buyers and duration of sales, future potential housing construction, potential mitigation/compensation mechanisms, legal impacts, etc.).

As currently proposed, there has not been enough input from the community at large and this COPA/TOPA amendment puts an unfair burden to East Palo Alto homeowners while not achieving to help existing East Palo Alto tenants to become homeowners, nor preventing displacement and providing more affordable housing to our community.

Respectfully,
Romain Taniere
East Palo Alto resident
Hi City Housing Manager Rachel Horst,

I am a resident of East Palo Alto and a working mother of 2 children who attend school in EPA. I am an immigrant who grew up in war zones, moving between many rental properties. I studied very hard to be able to get out and have a better and safer future. After working for many years, my husband and I put our lives’ savings in a 920 sqf old house in EPA in 2017. We both still work hard to pay our steep mortgage.

I am deeply concerned about the proposed OPA ordinance and the way it has been handled by the City. I am disturbed by the lack of transparency and outreach to homeowners. The ordinance almost passed if not for the outcry of many homeowners in the last meeting after a community member notified us about the hearing buried in the meeting agenda on the city website:

- Why is the city approach to this important ordinance so different from the RBD project?
- Why didn’t the City hire third-party consultants to study and analyze the projected economic and legal impacts and share them openly with the stakeholders for feedback?
- Why was no outreach to homeowners before last week including social media or flyers?
- Why is this ordinance proposal not translated to the languages many homeowners in EPA speak (Spanish and Chinese)?
- Why is the rush to vote on this ordinance on Dec 7 before all the above.

Such impactful ordinance should go through intensive consultations, analyses, and revisions before moving forward. My other concerns on OPA ordinance proposal are:

1- SFHs and ADUs are not excluded. Only owner occupied SFHs are excluded. In both DC and SF, the ordinance only applies to multi-family homes/apartments and excludes SFHs. This makes sense because SFHs aren’t in any way a solution for the affordable housing problem. Multi-story apartment buildings and ADUs can be effective solutions.

2- Long term affordability clause states that SFHs purchased with the ordinance are **NOT** subject to rental affordability or sale value restrictions. So new purchasers can buy the property at a discounted price (capped by an appraisal) then turn around and rent it out for profit or resell it at market price. This defeats the whole purpose of the ordinance.

3- “Right to an appraisal” can cap the price below market price or a third-party offer. In the bay area hot property market, appraisals can be 100s of thousands below market price. This is a huge financial loss to homeowners.

4- Significant delays for the seller (5-9 months if not more): The potential purchaser is given 30 days to submit a statement of interest (this is only 5 days in SF). If the potential purchaser submits a statement of interest, it can extend the timeline by 1-3 months (2-4 months total so far). Then comes the “right of first offer”, which gives the
potential purchaser up to 4 months to close (4-8 months so far)! If the owner refuses the offer, they must give another month for the potential purchaser to match the offer (5-9 months total). More delay when appraisals will be involved.

5- There are NO incentives for homeowners. They are expected to go through delays up to 9 months if not more and huge financial losses due to the “right to an appraisal” with no incentives?

6- Enforcement in terms of fines (10-30% of the sale price) only applies to sellers. No enforcement on the purchasers who don’t maintain long term affordability. No enforcement to avoid abuse by purchasers, for example to cause intentional delays just to receive pay outs with no intention to purchase. Such violations widely happened in DC before the law was amended to exclude SFH and include many other restrictions: https://www.nbcwashington.com/news/local/some-dc-renters-make-tens-of-thousands-of-dollars-exploiting-decades-old-law/14478/

I am also afraid that this law will adversely affect the affordable housing problem we are all trying to improve. This ordinance will discourage homeowners from building and renting out ADUs. This ordinance will discourage investors from building multi-story apartment buildings. It will discourage people from renting out their homes if they have to move. It will deprive the city from millions of dollars in property taxes that can help build more affordable housing, improve our infrastructure and schools.

Best regards,
Zaineb Al-Qazwini
Dear Mr. Frontes,
I was surprised to learn that city is trying to pass the most strict COPA/TOPA in rush. I hope that you can stop it or postpone it since it will hurt the development of East Palo Alto. I hope that we have financial analysis before implementing this regulation. We can figure a better way to avoid displacement of local residents and keeping it developing at the same time.
Thank you for your consideration, and have a wonderful Holiday, Respectfully, Nina Helmer
Dear City Management Team,

Please provide a Spanish, Chinese, and Russian version of the proposed OPA ordinance for review. Many of the new resident homeowners who are affected by this law are non-native speakers.

Kind regards,

--

Alexander Tsyplikhin, EPA resident and homeowner
Excellent, thank you!

Also, how much money has the city set aside for the many lawsuits that this ordinance will bring? I would suggest that you immediately budget $10M in legal fees as many lawsuits will come from this ordinance.

Mark
Rachel, I looked up the SF ordinance to see how they cover it. There is some wording in here missed from the EPA ordinance:

**SF case:**
"Written Offer of Sale to Qualified Nonprofits; Terms and Conditions Set by Market. Except as provided in subsection (f), whenever the Seller of a Multi-Family Residential Building receives from a Purchaser other than a Qualified Nonprofit an offer to Purchase the Multi-Family Residential Building that the Seller wishes to accept, and whenever the Seller of a Multi-Family Residential Building makes an offer to Sell the Multi-Family Residential Building that a Purchaser other than a Qualified Nonprofit expresses a desire to accept, the Seller shall, before any such offer of Purchase or Sale may be accepted, offer to Sell the Building to any Qualified Nonprofit that has previously made an offer of purchase under Section 41B.6(f) with respect to that Building, or that was not previously given the opportunity described in Section 41B.6(b) with respect to that Building"

This implies that in the SF case, sellers are only required to submit offers that they *wish to accept* to the COPA process, or *counters the sellers make that the buyers plan to accept*. But in the **EPA case**, it seems that
"The Owner shall disclose any Offer to Purchase received from a Third-Party Purchaser to any PEP that submits a Statement of Interest and shall provide said PEP a right of first refusal... Any written offer received by the Owner shall be provided to said PEPs"

So it seems that EPA's intention is far more dramatic than SF's here, in that SF allows the seller only to sell at a price agreeable to the seller, whereas EPA requires the seller to sell (in the First Refusal stage) at any offer price presented by any third party in the market (and this would fall of course to $zero).

I don't understand how the ordinance can have passed through City Staff and the City Attorney with this clause in it and that the City could then state that there was no intention to reduce the price of property changing hands. Property would change hands FOR FREE if this were implemented as written. The seller would get NOTHING. Please show me what I am missing!

Thank you.

Grace
On Wed, 24 Nov 2021 at 09:06, Grace Popple <grace.webber@gmail.com> wrote:

Yes, Rachel, I plan to come to the December 1st meeting. But I don't want to have to use up all of my one or two minutes on technical questions that should be addressed already in the Ordinance. Are you saying that unless I raise it in that public forum there will be no clarification on this point?

Here's another one for you which is the most worrying to me so far.

Let's have an absentee owner, they've submitted Notice of Intent to Sell, and there was a Statement of Interest from a tenant, a nonprofit and the city - or any one of those. If any of those submitted an offer, the seller rejected it. The time period passes (30 days) so the owner lists on MLS. A Third Party submits an offer on the property. The offer is for let's say $500. Not $500,000 but just five hundred dollars. The offer is presented on all the usual paperwork, properly signed, and the third party absolutely has the cash and intends to go through with the transaction. They have their earnest money ready to provide to title. According to the Ordinance, it looks like the Seller is obliged to send that offer to the tenant, the nonprofits, and the city and if any one of them is prepared to match that offer - for five hundred dollars - for the property - the seller is obliged to sell at that price to that entity (obviously in the order tenant, nonprofit, city).

As far as I can see this is not accounted for anywhere in the Ordinance. There is not even any suggestion that there couldn't be coordination between the tenant "John" and the third party "Jennifer" or even "John's Mom" as third party purchaser. There is no limitation on the seller needing to provide any offer - not just any offer that they intend to accept or any offer that meets their asking price or any other protection for the seller.

Is my reading of the Ordinance as presented correct in that this scenario is perfectly feasible? If so, was that the intended outcome of the Ordinance?

Thank you

Grace
OK. I've been trying to keep these concerns to myself thinking they must be errors you would just clear up quickly. But your response isn't reassuring me that that is the case. Given the fast timeframe here for everything I would really appreciate if you can just tell me whether the ordinance really does reflect the city's intent - if so this is such a big deal I'm going to have to be more open about these issues with other homeowners. And if I don't hear back before the holiday I'm going to have to assume the worst.

Sorry I hope you can understand, I am really worried here. I had my wedding in EPA in 2016, I really love this city. But I owe almost $1 million to the bank for my mortgage, if the city really does want to have nonprofits buy my home from me for $1 and leave me on the hook for all that debt it is tough to feel taken care of at all. I'm having trouble concentrating here.

Apologies for not being tougher.

Grace

Sent with my Pixel 5a
Wed Dec 1  Zoom mtg: EPA Tenant Opportunity To Purchase

I will try to attend but I might be teaching night school. Please convey these ideas at the meeting; I have already sent some notes to City Clerk and Housing Dept. BEFORE the meeting, residents can send an individual private message to the individuals who are commenting online through Facebook or NextDoor. Personally, I think a private, calm, short message can be more effective than more screaming online, but a public message to the discussions can also reach people who are reading the discussions. These written messages can include some of the same points as what I am listing here, in advance of the Dec 1 Zoom meeting:

___ EPA has a long history of housing discrimination, and people getting pushed out of homes by unethical means.
___ Even when residents were forced out by 'normal' pressures like rising housing prices, the resulting bad feelings have lingered and should be addressed.

___ Many tenants are renting precisely because they do not have the cash to buy a home.
___ Many owners of rental property have made that investment precisely because they want rental income, and an investment they can sell at a profit later, or to pass on to their heirs.

___ Tenants will need financial assistance to purchase their rental properties at or very close to market rate, because we cannot expect property owners to sell for less than market rate.

___ Mark Dinan and other homeowners are expressing fears and conclusions that might not be supported by the actual proposal for Tenant Opportunity To Purchase a rental home. We should wait to hear the actual proposal, and discuss it factually.

___ If the city does not yet have a complete proposal, we can contribute our ideas for developing the plan.

___ Even if the proposal is 'finished' -- it is just a proposal. We hope everyone will contribute ideas and listen to the ideas or concerns of others, so we can create an ordinance that works for most people. This is what we did when Amazon rented the entire Sobrato building on Bay Road-- we pushed as a community to promote EPA residents as 'first source' for hiring, and a Career Center. These adjustments were better than nothing, but the city leaders should have opened these discussions long before agreeing to the Amazon lease.

Respectfully submitted by
Eve Sutton  eve@well.com
216 Daphne Way, EPA
Estimados miembros del consejo de la ciudad y personal de la ciudad,

ANTES de finalizar y someter a votación una enmienda propuesta al código municipal OPA de la EPA:

1. Debe haber varios alcances comunitarios y suficiente tiempo (como múltiples talleres con envío por correo a los residentes y propietarios de viviendas) para buscar aportes amplios e inclusivos con respecto a la ordenanza de dicha propuesta. Estos deben incluir el acceso a los idiomas traducidos con los que los residentes / propietarios de East Palo Alto estén más familiarizados (por ejemplo, español, tongano, samoano, etc.).

2. Después de posibles revisiones de la ordenanza, debe haber un análisis de impacto completo y amplio realizado de forma independiente que analice todos los aspectos de la ordenanza para la ciudad, los propietarios e inquilinos (por ejemplo, impactos fiscales basados en los efectos del precio de la propiedad, desincentivos para Construcciones de ADU, efectos en la disponibilidad de unidades de alquiler, intercambios 1031, grupo de compradores potenciales y duración de las ventas, construcción de viviendas potenciales en el futuro, mecanismos potenciales de mitigación / compensación, impactos legales, etc.).

Como se propone actualmente, no ha habido suficientes aportes de la comunidad en general y esta enmienda COPA / TOPA impone una carga injusta a los propietarios de East Palo Alto sin lograr ayudar a los inquilinos existentes de East Palo Alto a convertirse en propietarios, ni prevenir el desplazamiento y proporcionar más vivienda asequible para nuestra comunidad.

Respetuosamente,

Luis Guzman
Residente de East Palo Alto
Can you please send me a copy of the proposed OPA? I am a homeowner in EPA. thanks

regards,

Howard Chao

650-861-9268
Dear Councilmembers:

Before leaving for the Thanksgiving holiday, I received a postcard from the City of East Palo Alto indicating that it is seeking input on a potential East Palo Alto Opportunity to Purchase policy — although in reality it's an ordinance and not a policy, which is a pretty big difference to misstate. I also found out that Mr. Romero introduced and asked for a waiver of the first reading of the ordinance.

I oppose the adoption of the ordinance for several reasons:

1) **A Right of First Refusal Will Leave Mostly Institutional Cash Buyers.** The proposed Right of First Refusal will substantially extend the sale process to the point that family buyers requiring financing will not be able to make offers because interest rates fluctuate, and banks ordinarily lock-in an interest rate for buyers for no more than 30 days. Therefore, family buyers will not be able to make offers to purchase property in EPA. With fewer buyers in this artificial market created by the city, the price of housing stock will go down and purchasers will be: (a) institutional cash buyers who are looking to rent as aggressively as possible to residents and not contribute in any way to the community or (b) non-profits. If a non-profit happens to purchase the property, the property will still be non-owner occupied (meaning the residents will lack pride of ownership) and the quality of the housing in East Palo Alto will still deteriorate, ensuring a continued circle of dilapidated housing for EPA residents and a cycle of poverty;

2) **If the City, Non-profits, and Current Residents Were Actually Paying Fair Market Value, they Would Not Need a Right of First Refusal.** The proposed right of first refusal would be unnecessary if the city, non-profits, and existing tenants were paying fair market value as they would necessarily be the highest and best bidders on homes listed on the market today. Despite marketing materials saying fair market value will be paid, what will really happen is that sellers will get less than fair market value for their properties. That’s unfair to current owners who may have built generational wealth over decades (and would like to pass that on to their children). The truth is the OPA will result in decreased market values for property in EPA. The city is seeking to take a right of first refusal because the proposed holders of the right cannot compete in the open market and instead are making rules by which they get to take properties at artificially depressed values. All of this is designed to come at the expense of local homeowners – your primary constituents who pay property taxes, have pride of ownership, and that contribute to the provision of basic service in the city.

3) **The City will be Effectively Redlining Itself.** When buyers requiring financing and who are concerned about improving the value of their home disappear, what EPA will necessarily have is fewer buyers and fewer offers on homes in EPA. With less competition for property, property values will decrease affecting every homeowner’s equity and final sale price. If the city adopts the proposed ordinance, it will be artificially generating depressed property
values. **Worse still, the city will be redlining itself.** Right now, EPA’s demographics are changing and working class and middle-class residents are living and working side by side. If the city pushes out middle-class residents (both existing residents and potential new residents) by insisting on depressing property values, the middle-class will move out and prospective middle-class residents will place offers on homes in alternative markets. The city, through ordinance, will ensure that only those that have no option but to remain in EPA will in fact remain in EPA;

4) **Long Term Effects of Affordable Housing Restrictions Will Result in Lower Property Values at Time of Sale.** For the reasons explained above, a right of first refusal artificially depresses property values. Long term long term EPA home owners who have been here 20 years, are just as worthy of capturing the highest value for their property as anyone else. If they are not interested in selling now, they risk the city and non-profits slowly acquiring and placing affordable housing restrictions on the single family housing pool in EPA such that EPA market rents and EPA market resale values are all less than in nearby neighborhoods like East Menlo Park and Redwood City. In other words, long-time EPA homeowners – most of whom are working-class – will see the value of their home being dragged down by the City of East Palo Alto in its process of encumbering the city's entire real estate stock with affordable housing restrictions;

5) **EPA will Lose Property Tax Revenue and be Even Less Able to Provide the Basics of Health, Safety, and Education for its Residents.** As more and more housing is put into the hands of the city and/or non-profits, EPA will lose tax revenue as neither the city nor non-profits pay real estate tax. EPA will fall even further behind in providing even basic services to residents. As other cities move forward, EPA will be moving in reverse.

I therefore urge you to vote no on any taking of a right of first refusal from property owners.

M.M.
My name is Fred Flamer. I have been in EPA for 50 years. I have read through the OPA proposal and I am very disappointed and confused as to how a proposal like this has even got this far let alone even being proposed! Our homes are our single largest investment and many of us have improved our properties and have stuck it out for decades in some cases and believed in the turnaround that EPA is experiencing and deserve to taste the fruits of our labor. I as well as many of my neighbors are very upset with this proposal. The city did a very poor job in giving homeowners adequate notice and this whole exercise feels very, very wrong. Why is EPA always expected to take the short end of the stick? Do they have similar proposals in force in Palo Alto, West Menlo Park, Redwood City? We will not take this lying down. It is not fair to homeowners and it is not right! Let the market organically decide what a house is worth!

Fred Flamer
Follow-up note Monday 11/29/21 to Rachel, cc: others concerned with EPA housing:

I am glad to know my comments and research are being considered for these important housing discussions.

Here is a recent story in CalMatters (gov’t reporting from Sacramento) that illustrates our need to examine the details of any proposed bill, and the details of how it will work in real life, before we get too emotional. Please remind everyone at Dec 1 mtg and other meetings: Stick to the facts and the likely outcomes of the facts. In this case, the controversial new law effective Jan 1, 2021 is NOT likely to affect a lot of homeowners or buyers who want single-family homes. Read to the middle or end of the story to see all the limitations.


Victorious in recall, Newsom refocuses on California housing crisis
by Manuela Tobias September 20, 2021

[excerpt near middle of story]
But it would be up to eligible homeowners to decide to turn their house into a duplex or fourplex. And despite opponents’ warnings that the law will radically remake the traditional single-family neighborhoods the state is so famous for, the same study estimates less than 5% of the state’s 7.5 million single-family lots will be changed.

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—Eve Sutton eve@well.com
650 325-3234 landline, best 10am-9pm
Leave voice msg after 6 rings
216 Daphne Way
East Palo Alto, CA 94303
Dear City Housing Manager Horst,

I am very strongly against the proposed East Palo Alto Opportunity to Purchase Act (EPA OPA).

In 2021, we purchased our first family home in East Palo Alto. I only recently learned of this proposed law from another very concerned resident. This law has not been adequately publicized, debated, or studied.

There has been no independent financial analysis of this proposed law. This law will decrease EPA home prices, penalizing EPA homeowners and decreasing the EPA tax base. This impact has not been characterized. Development proposals get an independent assessments, but not a proposed ordinance that would affect the value of all homes in East Palo Alto? This does not make sense.

If, for example, the average home value decreased by 15% (a conservative estimate), EPA homes would looe a combined value of over $125 million dollars. This is an economic impact that will be solely borne by the homeowners, many of whom are longtime EPA residents whose home represents their single greatest asset. This depletion will affect all EPA homeowners since formerly rented homes are not differentiated when realtors and banks assess a home's value, and there are many rented homes in EPA. This impact needs to be studied and then discussed.

There are no other cities who have implemented a limitation like this. No other city has a law that applies to single family homes or ADU units. This law only has penalties for homeowners and no repercussions for renters or nonprofits abusing this ordinance. There would be no restriction on a tenant buying a property through OPA at a below-market appraisal, and then turning around and selling it at a higher rate. There is also no penalty for tenants and nonprofits for making offers that are not in good faith. Other cities that have tried to pass OPA legislation saw massive abuses against homeowners, but the risk of this has not been studied and penalties have not been identified.

I found out about this only recently, and it is my understanding that only 10 EPA homeowners were consulted with this proposal. This is not acceptable. When Berkely tried to pass OPA legislation, there was 10+ months of active study and debate, and their proposal only affected multi-unit dwellings.

Further, this proposal will not achieve the desired outcome of helping with housing affordability. The way to improve housing costs is to increase the housing supply with more multi-family dwellings (apartments). Penalizing single family homeowners will only reduce the supply of rentals in EPA and discourage investment in our city. This proposal will also reduce EPA's tax income, and the proposal does not specify from where the additional funds will come.

As a concerned citizen, i demand:
* a thorough independent analysis of the financial impact of this proposal
* a plan to make up any EPA tax income gaps
* a plan to identify and penalize nonprofit and tenant bad actors
* an independent conflict of interest assessment for everyone associated with this proposal
* a series of town hall meetings on this proposal over the course of the next year
* translations of the proposal and all meetings into Spanish, Russian, Chinese, Tongan, and Samoan
* an explanation why the Mayor tried to pass this without all of the above

I moved my family into EPA one year ago and I would like to be part of this vibrant community. However, I am deeply troubled with proposals like this.

Thank you,
Tom Wedlick
EPA Homeowner and Resident
Dear Rachel Horst,

I am strongly opposing the "Opportunity to Purchase" Ordinance that was brought to the City Council meeting on November 16 2021.

To me, that was a great disappointment that there was no outreach to East Palo Alto Homeowners regarding this Ordinance at all. I only found out about this ordinance on November 16 2021, at the City Council meeting. The City did not ask the homeowner's opinion on this matter at all.

Also, there are many Homeowners in East Palo Alto who do not speak English. Due to this, it is necessary that the City will Translate the ordinance into Spanish, Russian, Chinese, Samoan, Tongan and other languages that are spoken in East Palo Alto, before next meetings on that matter.

This Ordinance will hurt East Palo Alto Homeowners in many ways. Also, it will deprive the City of East Palo Alto budget of a substantial amount of money in Property Taxes and will negatively affect the City in many other ways. In addition, it will not benefit the renters also, so the Ordinance acts against its purpose.

Some points for City Management Team members to consider:

- There was no outreach to East Palo Alto Homeowners regarding this Ordinance at all.
- There was no thorough study conducted on the economic effects of this Ordinance.
- The Ordinance is not written thoroughly and properly.
- The Ordinance included Single Family Homes, while none of other cities that have OPA Ordinance included Single Family Homes.
- The Ordinance inserts the City of East Palo Alto and select corporations into every real estate transaction, enabling them to slow transaction time for a home sale from 30 to 280 days.
- The Ordinance discourages the development of new housing, including ADUs and apartment buildings.
- The Ordinance could lower homeowner equity by $500 million - $1 Billion, causing as much damage as the 2008 housing crisis in East Palo Alto.
- The Ordinance could result in EPA being forced out of mortgage market entirely, a return to Redlining.

I strongly suggest that City Management Team will perform those actions before moving further with this Ordinance:
• Open a public discussion on the OPA Ordinance with the Homeowners
• Translate the ordinance into Spanish, Russian, Chinese, Samoan, Tongan and other languages that are spoken in East Palo Alto - for the next meeting on this matter
• Conduct thorough study on the economic effects that OPA Ordinance will have on the City, Homeowners and renters.

I hope that you will consider my opinion before moving to the next step with this Ordinance.

Regards,
Anna Romanovskaia, East Palo Alto resident.
Dear office,

I am an EPA resident.

I think the ordinance is a really bad idea.

It will discourage the owner from selling. (Lowing housing supply)
It will discourage the owner from renting and create a lot of owner-move in eviction. (Displace tenants)
It will discourage people to build an ADU (Lowing housing supply)
It will discourage the outside developer to build more housing or improve existing housing. (Lowing housing supply)
Based on the unfriendly atmosphere towards the owners and investors.
In the long term, it will reduce the housing supply, increase the chance of deferred maintenance and increase the rent. It will hurt not only the owner but also the tenants too.
Also, why are big companies like woodland apartments not affected by this? Is this solely due to mom and pop landlords' are easier prayers?
Looks like the city is working with the ultra rich controlled nonprofits to prey on homeowners and long term residents. But it is the companies like Facebook, Amazon and Woodland apartments that push the price of housing to the north. Not homeowners, or mom and pop landlords. Yet Chan Zuckerburg initiative will benefit from this and companies like Sand hill properties are not affected by this. How is this fair in any way?
This kind of policy is why Trump got elected in 2016. I am not a fan of Trump but I can clearly see you guys creating more Trump supporters.
--

Thank you,

Best regards.

An EPA resident.
Hello EPA Housing Dept -

Although my property is not subject to the proposed OPA ordinance as I live in my EPA home, I am concerned that when I sell my home I will see reduced demand because prospective buyers who would want to rent out the property will be discouraged as there will be limitations when *they* go to sell further down the road. I suspect that my market will be exclusively people who want to live in EPA.

Less demand means lower sale price.

What analysis has the City done on the impact in demand (and prices) for owner-occupied homes under this ordinance, and the subsequent impact in reduction on property taxes that fund our city services and schools?

I’m also not sure that the impact of multiple 30-day windows has been truly considered in an area where homes can change hands in as little as 48 hours. For homes that are affected by the ordinance, few are going to want to wait 30 days to find out if their offer has been accepted.

Actually, now that I think about it, my house is actually held in my personal (revocable) trust for which I am the trustee. Am I still exempted?

Thank you
-Josh Wurzel
Hello,
My name is Katie Fantin and I have lived in East Palo since 1994 and have been a homeowner since 2009. I bought my house for much lower than its worth, because of the severe economic crisis and my house has almost tripled in price. I did not earn that benefit, I just happened to purchase at the right time, but in fact, I benefitted from the misfortune of others and feel that I have a responsibility to be open to options even if they cost me financially.

I have watched countless people move out of the city due to high rents and high housing costs and I am deeply concerned about the lack of affordable housing in our community. I am in support of any efforts, to provide creative options to gain more affordable housing but I want to really understand how this ordinance will help. My questions are:

1. What data is there for similar communities to EPA that this ordinance will produce more affordable housing options? I think using Oakland or Berkely as a reference is reasonable but it's hard to compare communities that have much higher housing stock than we do.

2. I wholeheartedly agree that we should consider actions that impact single-family units, given the lack of apartments here in the city but if this ordinance moves forward, are there other plans to increase affordable housing stock in the city, as this ordinance alone would not provide that many units per year.

3. I am in the permitting process to build an ADU (a converted garage) a process that has taken more than a year. The building of ADU's is one way to provide affordable housing potentially but it seems that there are still significant barriers to them being built, many of which I have personally experienced. Is there any remedy for this?

4. Has the city considered any ways to rent control ADU's? I realize this could be a disincentive to build them but at the same time, if there isn't enough new construction in the city, ADU's may be the only affordable housing option.

5. Has the council considered excluding ADU's from the ordinance, and why or why not?

Ultimately, I do think the City of EPA has an obligation to provide as much affordable housing as possible, and while this ordinance has some major drawbacks, I understand why the city is looking in this direction. I just hope we look as carefully as we can at all the best options, using all the available data to make decisions that allow for the most affordable housing for the most people.

Thank you,

Katie Fantin
From: Grace Popple <grace.webber@gmail.com>
Date: December 1, 2021 at 1:35:02 PM PST
To: Jaime Fontes <jfontes@cityofepa.org>, cityclerk <cityclerk@cityofepa.org>
Subject: Re: Some questions about tonight's informational meeting (OPA)

+City Clerk in case that is a better person to ask?

Thank you!

Grace

On Wed, 1 Dec 2021 at 16:33, Grace Popple <grace.webber@gmail.com> wrote:

Hello I have some questions about the meeting tonight, I hope you can help me. I’m working with some other homeowners and want to get the word out about process.

- Can a link to the Draft Ordinance be published alongside the Zoom link to the meeting on the City website/postings please?
- Who will be there? City officers? Council members? Nonprofit representatives? Which? Who will make presentations and with what content?
- We have been informed that modifications to the Draft Ordinance are to be made. Will a revised version of the Draft Ordinance be presented at the meeting (or in advance of the meeting and when)? Which languages will it be shown in?
- Will staff be answering questions already sent and which questions will they/won’t they answer in their presentation?
- To the extent that the presentation is “making a case” to implement the ordinance, is there a chance for a presentation from a “counterpoint”?
- Will there be an opportunity for direct Q&A where a participant can ask a question of a presenter and they can answer it straight away, or will all the public comments be batched together?
- Will "questions for clarification" be separated from "the public sharing their concerns/opinions for council to hear"? What will be the time limit for each? Is there a maximum number of each?
- What are the possible outcomes regarding the December 7th meeting? E.g. is there a chance that Staff will ask for more time to make modifications to an Ordinance and push off the schedule from December 7th to a subsequent meeting? Could that be
decided between Staff and Council at this meeting on the 1st or in discussion outside of a meeting? What could happen at the December 1st meeting that might influence what happens next?

- How long in advance of the December 7th meeting would any modified draft ordinance be available for reading, analysis and discussion by councilmembers and stakeholders?

Thank you for your help!

Grace Popple
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Grace Popple, nee Webber
1. I own a town house that has three unrelated tenants. Is this a "single family dwelling" (SFD)?

2. Rachel said the SFD doesn't have rent protections. I thought I was limited to a percentage increase (maybe 5%) annually with my property.

The second question is dependent of the first. If the property is a SFD and I increase the rent to market value?

Thanks

TR Proven
703-946-9423
Hi Rachel,

I am a homeowner in East Palo Alto and have been living here since 2017. I like to strongly voice my disagreement and disapproval of this proposed policy.

This policy does not in anyway solve the low income housing problem, rather it will destroy EPA because:

1. It will reduce the incentive and/or attractiveness of EPA for any potential investor (home buyers, businesses, etc) to invest (buying a home, invest a business) in EPA. This in turn reduces potential tax income for the city.
2. This will create a “cap” for how much property value can be, and this OPA will continuously erode the property value in EPA as long as the OPA is in effect. Again this will push EPA back to its dark days where no one will come and invest in this city.
3. The lack of opportunity to receive tax income due to deteriorating property condition in EPA, the city will not be able to serve the community well. This in turn again will push EPA back progress back to its darker days.
4. This OPA policy is simple not an American way where a government entity is restricting the homeowners’ ability to sell his/her property at the market price.

I can go on and on how bad this OPA will damage this beautiful EPA city of ours which has recently attracted a lot of good investments from new homeowners and businesses.

Please help us reject this proposal and save our beautiful EPA.

Sincerely,
Rani Indaheng
To the mayor, city council, and city staff

I am writing to voice my opposition to the OPA ordinance.

I am also one of the homeowners that has started the process of building an ADU, encouraged by the city, only to now discover that this ordinance can drastically and negatively impact my investment. It has already been an unsettling process, and now I cannot even have the confidence that I will have reliable leverage if I make the investment. The elements of the ordinance that discourage homeowners like myself who were planning to build, go in direct opposition to the stated goals of the ordinance.

EPA has no mainstream banks, no mainstream grocery stores, limited sidewalks, failing infrastructure, no ability to enforce the existing codes, no control of the fireworks and bombs going off year-round, every street has failing sewer lines, traffic is atrocious, the street sweepers and parking enforcement show up on an unpredictable schedule... Yet this is the focus? It has a far-fetched hope of helping a handful of tenants, if any, buy homes. It is appalling that the city has taken this on while so many of these other issues remain.

I sat in on all three-plus hours of the meeting on Wednesday evening, and the points made by concerned homeowners are overwhelmingly accurate and relevant. If the city decides to push this through in light of all of the concerns, it will be crystal clear that the city's objectives are not in the best interest of the entire community.

If the city wants to help mitigate displacement, encourage homeownership, and help with affordable housing it should put time and effort into financial literacy, education, and job readiness initiatives. Fix the community from the inside out and do not place this strain on the good people who are just trying to make a way for their families.

The city has no place in real estate transactions, and like many others, I am at a loss as to how this ordinance does not violate the fundamental rights of your residents.

Thank you.
Imani Lea Brown
East Palo Alto Homeowner
Resident since 1983
Dear office,

Questions:
1. If I own a condo unit, would it be treated like multi family or single family dwelling?

2. When the city/nonprofit/tenant "matches" a 3rd party offer, will they match all the terms or just the price. If the price is the same but even the 3rd party offer has a shorter closing period, am I still forced to accept the city/nonprofit/tenant's offer?

3. If I go through the entire process, wait xxx days and reject the city/nonprofit/tenant's offer. Only after that I put my property openly on the market, would that be complying with the city's ordinance?

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Thank you,

David Wu
Dear City Counsel & City Management Team,
As of this moment 520 EPA home owners signed the Petition that clearly explains to all how we feel about the proposal. Our petition has over 24600 views and shares. We are looking forward to the fact that our opinion will matter.
Signature list with names for the owner occupied and absentee owners attached to this email

https://chng.it/TcyVByN45j  -Link

PETITION:

Dear Mayor, City Council Members & City Management Team,

We address our message to you as homeowners and part of the community of the city of East Palo Alto. We are outraged with the City COPA activities conducted in a secretive manner without involving and informing homeowners. The COPA ordinance, in the way it is written, will hurt the city and its residents in multiple ways and cause a huge financial loss to homeowners. It will not bring any benefits to renters either.

References to the COPA ordinance in San Francisco as precedent are absolutely misleading in many aspects including

- in the SF COPA applies to 3 and more unit properties, not single family homes (+ADU)

- the time limits given to participants are 5-10 times less (for example, 5 days versus 30 or 60 in EPA)

- homeowners' money lost from not being able to use the 1031 Exchange.

All the undersigned found out about the COPA on November 17 after the first reading only thanks to active members of the EPA community and did not receive anything about the COPA from the City staff.

Compared to the SF COPA the EPA ordinance is outrageously abusive, which explains to us why it is done in secret.

In its current state the ordinance will expose homeowners to financial losses, it will cause harm to the City budget, will result in litigation, and it will demotivate builders and investors.
Home owners will build fewer ADUs on their lots.

**We Demand:**

- Open public discussion of the COPA ordinance with owners invited
- Enough time for informing all the interested parties
- Translating the ordinance into Spanish, Russian, Chinese, Tongan, Samoan and other languages spoken in the city of EPA.
- Organizing the discussion in those same languages, so, non speaking owners might fully participate.

I truly hope, that the City Council will take our opinion into consideration.

**520 have signed.** Let’s get to 1,000!

At 1,000 signatures, this petition is more likely to be **featured in recommendations!**

East Palo Alto City Counsel: Stop EPA COPA
"It is Better to Own Real Estate and Wait Than Wait to Own Real Estate" By the way, ALL my business comes from referrals. If you know of anyone looking to buy, sell or refinance their homes, please let me know. I promise to provide them with the highest level of customer service!